

3-31-09

and that money will go to the creditors.  
Rothschild's Financial advisors will  
handle new investors. <sup>(buyers)</sup>

- # (6) Existing union contracts - what happens to them.  
They remain in place. STMS intends to honor  
the contracts. STMS will sit w/ union  
reps. ASAP about furloughs, etc.
- # (7) Any plans regarding layoffs? by Neil  
nothing to share today. But Jeremy can't say  
it won't happen. Likely there will be more  
downsizing; but no announcements today.

# # #

47 min. 49 secs.

4-1-09

Town Hall Meeting @ mville  
Jeremy Holbreich (CEO)  
Rick Surkin  
Greg Powell (A.R.)

Reason for Ch. 11 Filing:  
"Legacy issues" - Conrad Black

"Heavy liabilities" is reason no one was interested  
in buying STMS. Now w/ bankruptcy, they'll be  
interested again as prospective investors.

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4-1-09

After Ch. 11 filing...

Separate our liabilities from bad assets.

\$ from a sale would be used to pay off our creditors. New party will be free of the STMG debts.

Holbreich is "confident" an investor will buy now.

losing 1-2 million / week

group of lawyers that represented C. Black are among creditors.

### Bankruptcy Process

Vendors - pre-filing &

<sup>supplier</sup>  
freelance, paper, etc. ink, etc.

any checks not yet written will be in holding pool.

anything post-filing - new purchases in normal.

major advertisers have been informed - no changes.

"Business as Usual"

### Impact on Employees

Responsibilities switch from shareholders to creditors.

Say - ~~the~~ sustaining modestly profitable.

Wages - no change. Still have jobs.

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## Impact on Employees

- eliminating severance  
will still get vacation
- furlough - 5 day over next 2 months.  
all employees - even CEO, etc.  
non-union and union employees
- layoffs  
can't say no. maybe in next week or two.  
"as sensitively and minimally as possible"  
meeting w/ bargaining units told the same.

Comment from Pres. of Macy's - very supportive.

will company be sold as whole or in parts?  
up to investors. P-T could be sold alone.

Hope for 2-3% profit margin.

when asking for reduction, it's to be "moderately profitable" - 2-3%.

## Questions

1. Any Buyouts to union members?

can't answer

have asked considering severance.

same as rest of company.



2. Reductions asked of unions:  
Similar to managers and union members  
same ~~amount~~ reductions.
3. Is it paper to paper or as company as a whole  
for reductions.
4. Is delivery of our paper in jeopardy because  
of debt owed to Chicago Tribune for distribution.
5. null, but not void. for any freelancers not yet paid.  
Re-submit.
6. Conrad Black  
insurance policy to protect top people.  
spent \$100mil defending Black, etc.
7. R: Sale - when is STMG dissolved?
8. H.R. (Greg Powell) will give out directions  
on how to take furloughs.
9. non-union employees asked yet to take  
furloughs and payroll reduction?  
Not yet. "Full-force on all fronts"
10. can contr. reductions be rolled back if revenues  
increase? yes. But who knows if it's a new owner.  
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11. If an investor wanted all STMG properties EXCEPT the P-T, would company liquidate the P-T?  
No. Confident they could get a buyer for us.

12. Is P-T losing money right now? If so  
Percent?

MTBT is losing money (Net Before Taxes). Yes  
No other paper in country is profitable.

13. LEE buy us, shut us down to eliminate  
competition? anything possible - but they're  
in no financial shape to buy anyone. "Times Times"  
Previously other newspaper publishers would  
be interested - not so in this economy.

14. on-line, new technology, etc.

STMG is talking to outside agency for web help.  
Own people will still produce it, but new partner  
is being sought to put it out there.

Classified shipped to New York?